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Deutsche Sozialversicherung
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Opinion from German Social Insurance issued on 18 June 2024

Measures to improve the working conditions of trainees in
the EU

I. Preliminary remarks

According to current statistics, over 50% of young Europeans undergo a traineeship prior to their entry into the labour market.¹ The European Parliament, therefore, took up the issue in a resolution of 14 June 2023 and addressed, among other things, the risk of many trainees getting caught in unpaid long-term employment. In some cases, they would even replace regular staff instead of being imparted knowledge. The lack of social security, the high workload and the unequal treatment between permanent employees and trainees are also often a problem.

In order to improve traineeship conditions, the European Parliament called on the European Commission to update the 2014 European Union (EU) Quality Framework for Traineeships and present a directive on high-quality traineeships. The Conference on the Future of Europe held in May 2022 called on the European Commission to lay down standardised rules for high-quality traineeships.

On 20 March 2024, the European Commission presented a package of measures for better traineeships in the EU. This includes:

- a proposal for a directive on improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships, and
- a proposal for a Council Recommendation on a reinforced Quality Framework for Traineeships.

The German Social Insurance (DSV) welcomes the package of measures which emphasises social protection more strongly than the 2014 Quality Framework for Traineeships. At the same time, the DSV points out that employers and employees must have easy access to information on social security cover. This can be ensured, for example, through existing information pages. Furthermore, the core content of the definitions of "traineeship" and "trainee" should not differ despite the different objectives of the two proposals.

¹ European Parliamentary Research Service. The quality of traineeships in the EU. European added value assessment. 2022. [https://www.europarl.europa.eu/RegData/etudes/STUD/2022/699459/EPRS_STU\(2022\)699459_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2022/699459/EPRS_STU(2022)699459_EN.pdf)

II. Opinion

1 _ Seamless social security cover for all traineeships in the EU

Many young people complete a traineeship in the Member States. This usually takes place before, during or after training. Some young Europeans also take advantage of the freedom of movement in the single market and gain their first work experience as part of a traineeship in another Member State.

The legal framework conditions in the individual Member States differ considerably as responsibilities for education and employment lie at national level. This also applies to social security. In the run-up to the publication of the package of measures, the European Parliament therefore emphasised the need for comprehensive social protection, among others. As a result, the quality characteristics were expanded in the proposal for a Council recommendation. The German Social Insurance welcomes this development.

1.1 _ Passing on information to trainees

The proposed directive aims to ensure that trainees are not treated less favourably in terms of their working conditions than comparable workers in the same company. Member States will also be obliged to detect and prevent regular employment relationships disguised as traineeships. In addition to improving working conditions, avoiding the loss of social security contributions due also plays a role in combating regular employment relationships disguised as traineeships.

In order to better identify regular employment relationships disguised as traineeships, Article 5 of the proposed directive requires Member States to carry out an overall assessment of all facts. One fact to be examined is social protection. In order to be able to check this, Article 5(3)(a) of the proposed directive requires employers to include information on social protection, among others, in the vacancy notice and advertisement for the traineeship. In this respect, however, it should be noted that the legal structure of traineeships differs in the Member States and that the specific structure in each case is decisive for the legal categorisation.

In Germany, for example, the type of traineeship is decisive for the assessment under insurance law. Consequently, there are different constellations for unemployment, health, long-term care and pension insurance. Compulsory traineeships that are completed as part of the training programme are subject to regulations different from those applicable to voluntary traineeships. Accident insurance cover is generally provided by the traineeship company, regardless of whether the traineeship is

completed before, during or after the training programme. There are special features for traineeships for school children and with regard to students writing their final thesis in companies. It requires the individual insurance law assessment of each traineeship, which is why the route taken by the European Commission via the vacancy notice and advertisement in Germany does not appear to be a sensible starting point. Furthermore, it is doubtful whether vacancy notices and advertisements could be sufficient means of fully informing trainees about their social protection.

Sharing of information on social protection is essential for the German Social Insurance in order to ensure that trainees are informed and protected under social insurance law. In order to achieve this, it is important that the guideline (Article 6(b) of the proposed directive), which is drawn up by the Member States, is better utilised for the comprehensive social security information of trainees. For example, the guideline could refer to existing information pages, such as the information portal for employers², in order to provide employers with sufficient information. This would also make it easier for employers to pass on information as provided for in recital 30 of the proposed directive.

1.2 _ Interaction between the new measures and existing structures

The proposal for a Council Recommendation contains criteria for high-quality traineeships that can be flexibly implemented by Member States to take into account the specific nature and different needs of national traineeship programmes. The traineeship agreement is used in the proposal for a Council Recommendation as a core means of disseminating information. Paragraph 4 of the proposal stipulates that various elements should be included in the traineeship agreement. Among other things, information listed in Article 4 of Directive (EU) 2019/1152 on transparent and predictable working conditions in the European Union, as well as information on social protection, including insurance cover for sickness, accidents at work and occupational diseases, should be shared by employers with trainees.

The inclusion of insurance cover as a new element in the traineeship agreement is supported by DSV. Nevertheless, the design of the traineeship agreement in accordance with Article 4 of Directive (EU) 2019/1152 on transparent and predictable working conditions in the European Union raises questions. This article points out the obligation of employers to inform employees about key aspects of the employment relationship. Minimum requirements for the obligation to provide information arising from this article include, for example, information on the term of employment and the job location. Nonetheless, the reference to Article 4 of Directive (EU) 2019/1152 is misleading with regard to the information on social protection, which is to be explicitly

² Employer social security information portal. <https://www.informationsportal.de/>.



anchored in the traineeship agreement as a new element of the quality framework. Article 4(2)(o) of Directive (EU) 2019/1152 only requires employers to pass on information on the identity of social insurance agencies if they are responsible for this. In order to avoid information gaps, the text of the proposal shall clearly highlight the sharing of information on social protection in the traineeship agreement, in addition to the elements provided for in Article 4 of Directive (EU) 2019/1152.

Stronger emphasis on equal treatment of trainees and their non-discrimination by the proposal for a Council Recommendation, in line with the Council Directive establishing a general framework for equal treatment in employment and occupation, is also to be welcomed.

2 _ Harmonisation of the definitions in the package of measures

From the perspective of the DSV, care must be taken to ensure that standardised terminology is used in the proposed directive and the Council Recommendation in order to prevent different interpretations in practice. In the absence of any standardised definition of traineeships in the EU, a definition was created in recital 15 of the proposal for a Council Recommendation and in Article 2 of the proposed directive. Currently, both definitions are identical. Changes that arise during the consultation of the two proposals must be reflected in both texts in order to avoid different interpretations and legal uncertainties.

On the contrary, the definition of "trainee" is not identical in the wording of the two proposals. This is intentional, as the proposed Directive refers to trainees in an employment relationship, whereas the proposal for a Council Recommendation applies to all trainees, regardless of their employment status. However, identical elements of a definition that appear in both proposals should not be worded differently. This must be kept in mind during the further procedure.

About us

The German Federal Pension Insurance (DRV Bund), the German Social Accident Insurance (DGUV), the National Association of Statutory Health Insurance Funds (GKV-Spitzenverband), the national associations of statutory health and longterm care insurance funds as well as the Social Insurance for Agriculture, Forestry and Horticulture (SVLFG) have joined forces to form the "German Social Insurance – Working Group Europe" (Deutsche Sozialversicherung Arbeitsgemeinschaft Europa e.V.) with a view to their common European policy interests. The association represents the interests of its members vis-à-vis the bodies of the European Union and other European institutions and advises the relevant players in the context of current legislative projects and initiatives. As part of a statutory insurance system, health and long-term care insurance with 74 million insured people, pension insurance with 57 million insured people and accident insurance with more than 70 million insured people in 5.2 million member companies, citizens in Germany are provided with effective protection against the consequences of major life risks.